

RECORDS MANAGEMENT

(DCI STAFF MEETING)

*December 1957*

PREAMBLE

1. I want to talk to you about what is probably the most unromantic subject in the world. This is "paper work" - more technically, the management of records.

a. The Hoover Commission has dealt at great length with this subject. In addition, our own Director has spoken to you on several occasions and is much interested that we make some more progress in the cutting down of papers.

b. The management of records has already saved this Agency hundreds of thousands of dollars - but we have much distance to go. These savings are in (1) avoidance of purchase of new filing equipment, (2) avoidance of salary costs in handling needless papers and in time-consuming inefficient procedures and finally, (3) savings in space and supplies. (Please remember the new headquarters building space limitations.)

c. My alert or warning to you is that we don't see these costs every day; they are buried. I propose here to do some exhumation.

d. Let me bring this matter a little closer to home.

(1) A careful analysis of the Hoover Commission findings in costs of paperwork in the Federal Government, together with some analysis within our own Agency permits a rough calculation approaching 12% of budget for CIA costs in this field.

So let's see how this looks in total Agency expenditures, with some distribution to Agency components. Remember that these percentages are in millions of dollars. Of course, it is acknowledged that the Agency product demands some paper; this is to say that there is here essential paper and unnecessary or tainted paper.

(Show chart)

- (2) When the Director goes to the Bureau of the Budget and the Congress with your proposed budgets, he is also battling for these hundreds of thousands of dollars in paperwork costs. The total budget finally allowed may well jeopardize your intelligence and project allotments.
- (3) When you cut your paperwork costs, you not only assist in protecting desired intelligence and project allotments, but also you may well gain more funds for these purposes.
- (4) You have seen in the newspaper, and also know about it here, that the Bureau of the Budget has ambition to cut all Agencies' total funds by 10%. If we lose this ball-game and have to move quickly, you know where most of this money will come from, and first, - from your intelligence and project allotments. The Support component can be responsive for the most part only after the support demands are lessened.
- (5) As late as last month the Secretary of the Navy discussed in public print<sup>\*1</sup> the tremendous pressures today for improvement

\*1 - Armed Forces Management, November 1957.

in management. His view says that this is a full-time job for every manager. Then he spells out his code as follows:

- Eliminate unessential tasks
- Simplify methods and procedures
- Install labor-saving devices and punched card and electronic data-processing equipment
- Streamline organization
- Cut paperwork

(6) Now having blessed myself with the Director's previously expressed views and buttressed myself with the Hoover Commission and the Secretary of the Navy, let's proceed to take the drabness out of a really important subject.

2. I seek from you very little - notably two things - intellectual agreement and to ask you to create an attack atmosphere about this matter within your own respective jurisdictions. This latter could begin as simply as just expressing your personal interest in the prosecution of paperwork understanding and activity at say, your next staff meeting. The Management Staff cannot possibly assist as needful unless you stimulate your people farther. Then we can follow.

3. My presentation is not at all an exhortation to do better. Rather, I will give you a point of view and some clues and tools for action and briefly outline how the Management Staff can assist you.

PRINCIPLE

1. Now, let's deal with a principle.

a. Paper is the product of two things - the creation of records and  
Second the copying of records.

(1) I will "take for my text", so to speak, a very short quotation from the "Book of Management" written by Lyndall Urwick, widely acknowledged to be the foremost international authority in the field of management. I quote:

"The paper work, the records, are essential.  
Some men lie and all men die. The record  
becomes critical where these accidents occur.  
It is also essential in all large-scale organiza-  
tion because men change posts and forget.  
But it is only a record, an aide memoire.  
The big decisions get taken not on paper,  
but by individuals meeting face to face who  
trust each other. The paper is like the  
drains in a house: It carries off the waste  
matter of poor human relations. Far too many  
people in responsible positions permit  
living too close to the drains."

(2) It is easily demonstrable that we write too much, say too many  
words, copy too much and hoard too much.

- (a) A "Memorandum for the Record" has its proper place, of course. But I know some people who don't dare take even a low-level timid action without at least a substantial, historical and protective dissertation.
  - (b) More importantly, our actions are characterized by endless back and forth paper communications - rebuttal and re rebuttal - fix and re-fix.
  - (c) Again, all up and down the line we make a copy for every Mother's son or daughter who could have any possible, even vague, interest. Because we copy so widely we automatically cut-in those vague peripheral interests and get a "No-soap"-- a stop to PProgress--a leveling of our actions to the lowest common denominator--and without accountability.
  - (d) Wholly aside from the non-action viciousness of the preceding, what does all this paper-work do to us? It makes us pre-dominantly authors and readers excessively, without sufficient time to do more.
- (3) Gentlemen, this is a disease - pernicious and seriously self-defeating. This is no way to run our rail-road. Can this pedestrianism do anything but grievously hinder us in this variable, irregular and unorthodox business of ours?
- b. All of this foregoing and more is capsuled in an old saying in this town, to the effect that the Chief Petty Officer runs the Navy, the Lt. Col. runs the Army and the civilian "Indian" runs the civilian Government.

- (1) To the degree that there is truth here, a particular damage comes out of it-as expressed in the emphatic view of the President of the National Records Management Council. This man says:

"When the Senior doesn't supervise, educate and guide his middle-line executives he creates a vacuum of neglect which naturally results in great dollar leaks--through middle-line ignorance, immaturity and lack of experience."

- (2) This old saying which I've quoted above would be funny if it weren't often tragically true. To cite one of many examples: I know a middle-line importantly placed unit supervisor here (whose business is almost wholly with paper) whose Fitness Reports are uniformly at the very top--whose Senior "Supervisor" doesn't have an inkling of what's going on in the unit--and whose job performance is so poor as to be damaging. Coming from 30 years in highly competitive business, almost directly into this Agency, I am shocked to see the abdication of senior supervision which automatically permits the middle-line Executive his unguided, distorted and wrongful assumption of strength and authority.

c. Now what can you do about it? I suggest as follows:

- (1) Aside from the obvious inferences in the above (which perhaps may be the most important part of my views here), we might well keep in mind <sup>and instill</sup> what John Macy, Executive Director of the Civil Service Commission said in public last month. I quote one sentence:

"What Government needs most are more yes-men."

Mr. Macy's term "yes-men" is a little unfortunate. What he means (as he explains) is that the Government needs more executive courage-willingness to take responsibility with accountability-to go forward.

- (2) You yourself create by direction an atmosphere of challenge to your people. Is this paper trip really necessary? - - why can't you telephone? - - why can't you go see the other follow? Why can't you convene an iron-it-out discussion, then,
- (3) Really require serious attention on the part of your supervisors and records management officers to these clues and tools I shall point out. These clues and tools are identical with those recommended by the Hoover Commission for all Government Agencies. They are all in use in this Agency but not at all fully enough.

FILING

1. Let's spend just 2 minutes on the highlights in filing as such. For years this has been a subject that was as dull as dish water. However, during the past 2-3 years new developments in the field contain a little office drama. These developments are responsive to pressures on space, salary costs, and inefficient procedures. (Have we got them too?!)
2. Point <sup>ing</sup> up just one technique in this field, we now have in front of us an extremely useful tool - the technique known as shelf-filing.
3. Here is a graphic example of what I'm talking about.

(Show before and after photographs.)

4. Here in the Agency we have finished one shelf-filing installation and are working on 7 others.

The new benefits we expect to obtain are:

- A 50% reduction in space
- A cost reduction in non-safe cabinet equipment of 50%
- A cost reduction in safe cabinet equipment of 90%
- Reduction in floor load up to 52%, and
- Salary cost reduction as against previous filing methods of 25%.

This is real money - particularly when today a non-safe 4-drawer cabinet costs \$80.00, and a 4-drawer safe cabinet costs \$428.00.

5. Here is an example: The American Insurance Company of Newark, New Jersey has saved 8 personnel on files (30% of that payroll), space consumption now and in the future, together with the elimination of costly future cabinet investment.



OFFICE FORMS

1. Let us look at office forms for two minutes. I quote one short paragraph from a recent bulletin of the Department of Interior, as follows:

"Forms Management offers one of the most practical methods by which management may eliminate duplication and overlapping of operational routines. At the same time it provides one of management's most effective tools to secure instruments of efficiency.

"At present, the Federal Government uses 18 billion forms a year at an actual cost of \$867 million. The use of uncontrolled and un-coordinated forms promotes much of the administrative redtape and complexity in government operations. Forms management is a plan or method to guide and regulate clerical operations by controlling this mass of paperwork and remedying this waste."

2. This Agency is chuck full of hundreds of unauthorized, uncontrolled, and uncoordinated forms. Because of our widespread internal duplicating facilities (ditto, mimeograph, etc.) anybody who thinks he wants a form, creates it.

3. Interior goes on, to say: "This is an important factor in the growth of the numbers of clerical people versus production employees. In 1900--for the country as a whole--this ratio was 1 clerical to 30 production workers, in 1935--1 to 10, and the Hoover Commission now says that this ratio is 1 to 2. Dun's Review and Modern Industry <sup>find the</sup> FIND THE U.S. clerical population growing five times faster than our total population, and estimates paper-workers' salaries at more than seventy billion dollars annually." (May I say that of course, this also highlights the importance of the new developments in the field of electronic office machines.)

a. One example of the fact that managing forms can produce results is illustrated by the Baton Rouge Esso Refinery Company which is still maintaining its 1935 ratio of one clerk for every ten plant workers--  
through forms management.

4. It is estimated that for each dollar spent to print a form, we spend twenty salary dollars in using it. It is this twenty dollar element that is so important. It is clerical work plus the procedures involved that are so costly. Every-time you start a new form, one or more persons will have to be paid to handle it.

5. The Management Staff can't possibly challenge the hundreds of "bootleg" forms in this Agency, but you can, and also when your office really needs a new form ask us to help with the procedures involved and the obtaining of an efficient form layout. (We also will challenge the need!)

REPORTS MANAGEMENT

1. In order not to omit a program which contributes to savings within the field of Management of Records, I will define Reports Management and illustrate it briefly.
2. Reports Management is a planned analysis of reports and related procedures in order to (1) eliminate and prevent non-essential reporting; (2) improve quality and reduce the costs of essential reporting.
3. An example of a short-cut application of the above technique is one performed by the DD/S himself in June 1957. He asked each of his offices and staffs to analyse all the reports required of the Machine Records Division of the Comptroller's Office and come up with eliminations. Here are the results:

(Show chart of the following)

A. Recurring TABULATING operations

<u>No. of Reports</u>		<u>No. of Copies</u>
Required	9000	38,000
Reduction	900	10,000
% Reduction	10%	26%

B. Recurring PUNCH CARD operations

<u>No. of Reports</u>		<u>No. of Cards</u>
Required	521	2,000,000
Reduction	56	185,000
% Reduction	11%	9%

4. This performance saved  man-hours per year within the Machine Records Division plus paper and card stock, plus some space and substantial paper handling by others.

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5. What is the lesson here?

First A detailed objective study would show additional gain. (later proved to be so)

Second We ask for too many reports and -

Third Did I say, "we copy too much?"!

RECORDS DISPOSITION

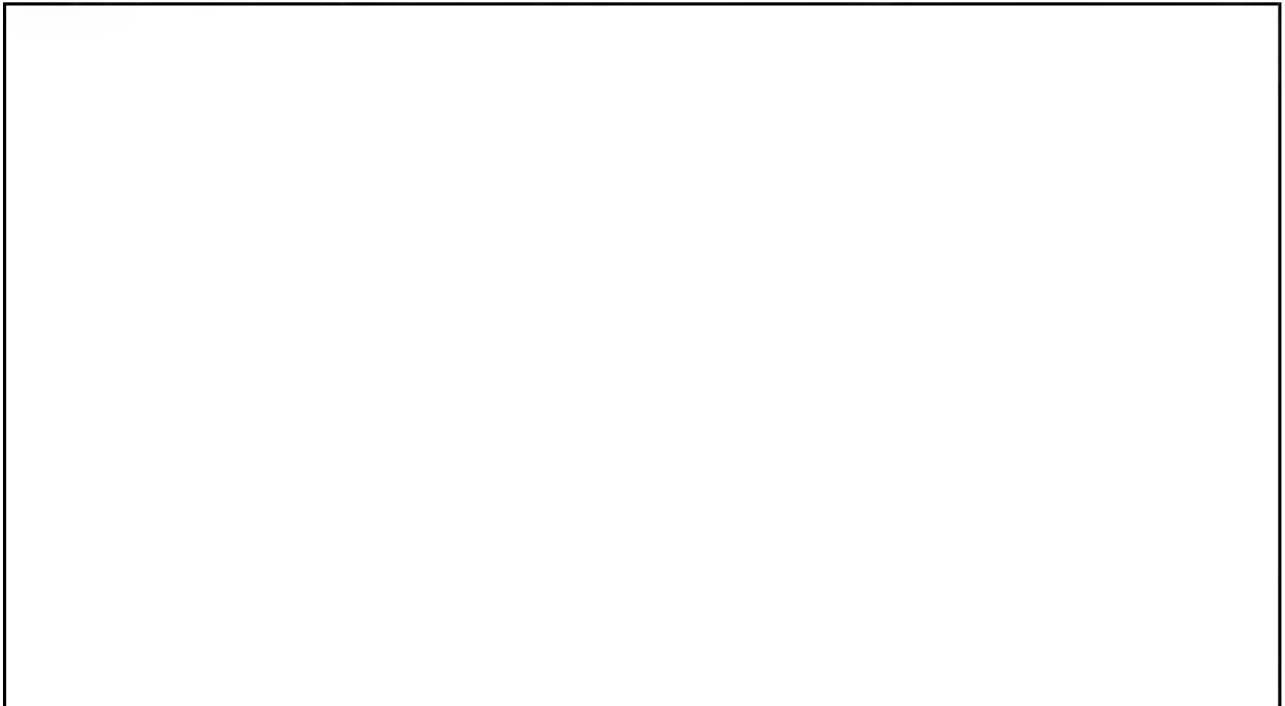
1. The most useful tool in this field of management of records is the technique of formalized Records Disposition. The heart of this program lies in what is formally known as the Records Disposition Schedule. Here it is for one large office in this Agency - ORR (show schedule). This schedule, developed jointly by the Management Staff and ORR, specifies in respect to each ORR record,

what records shall be destroyed immediately,  
what records shall be destroyed subsequently (with date),  
what records shall be retained in Headquarters active files, and finally  
what records shall be sent to the inactive Records Center  when destroyed.

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2. Records Disposition Schedules have recently been constructed for approximately 99% of the whole Agency. Here is a graphic illustration of what has been accomplished and where we are going in the next 8 years. (show chart)

a. In short, as of today, there is the cumulative destruction of 13,700 cubic feet and the accumulation at the Records Center of approximately 36,000 cubic feet.



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3. There are four measures which should be taken beginning right now- and continuingly, because "it's later than we think".

First, undertake a very severe scrutiny of all existing Records Disposition Schedules to pull out all possible additional destruction and

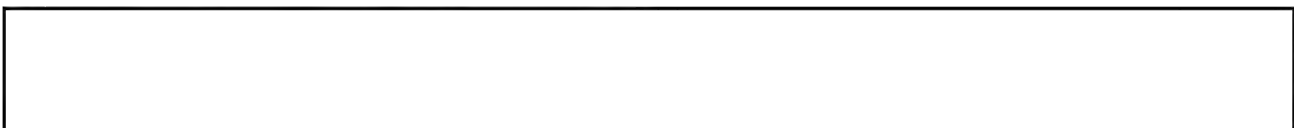
Second, separately, determine what additional records can go to Warrenton and

Third, determine again if all records now labeled for retention at Headquarters must be so retained, and if so, can they be grouped for microfilm and

Fourth, get tough about creation of new records and the copying of them. (Here we are back at the beginning!)

4. I shall mail a copy of these four measures to you and to your administrative officers and Records Management Officers.

5. As you know, we are building a contiguous addition to the existing Records Center  Here is a picture of this Records Center both outside and inside. (Show pictures.)



Let's use it.

6. The Records Disposition Schedules and the Records Center have paid us back so far, as follows:

a. In respect to Records destroyed, these Records Disposition Schedules have saved investment of \$444,000 in filing equipment (figured on today's market.)

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b. The accumulation of inactive records retained in the Records Center, as of today (and figured on today's market) has saved investment in non-safe and safe-cabinet equipment in the amount of \$1,164,000.

(All these estimates take into account the ratio of use between non-safe cabinets and safe-cabinets)

c. The total is over a million and a half dollars.

d. Further, additional substantial savings are in Headquarters space and salary costs to handle such gross volume on a decentralized basis as compared to volume production-handling of records at the Records Center, by specialists.

e. Finally, much greater efficiency results in respect to records handling at Headquarters because of eliminating the pawing-through of more records than needful.

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MICROPHOTOGRAPHY

1. Now finally what about microphotography as a procedure for records?

a. This is a subject in which many of you have an interest and because the microfilm offers attractive possibilities, maybe some of you, like many others, have been misled as to its use. However, I have guide lines for you.

b. The Archivist of the United States (Dr. Wayne C. Grover) testified within the 84th Congress, in part, as follows:

"We use microfilms for records that have long-time retention values, but microfilm itself is a very expensive process and it cannot be justified for short-term retention records. We will save money by putting short-term records into a records center and destroying them after a period of time rather than microfilming them." (By long-term retention, Dr. Grover means approximately 30 years.)

c. One example of the misapplication of microfilming is in the 1957 paperwork controls report of the Secretary of State of Illinois. Two emphasized sentences read:

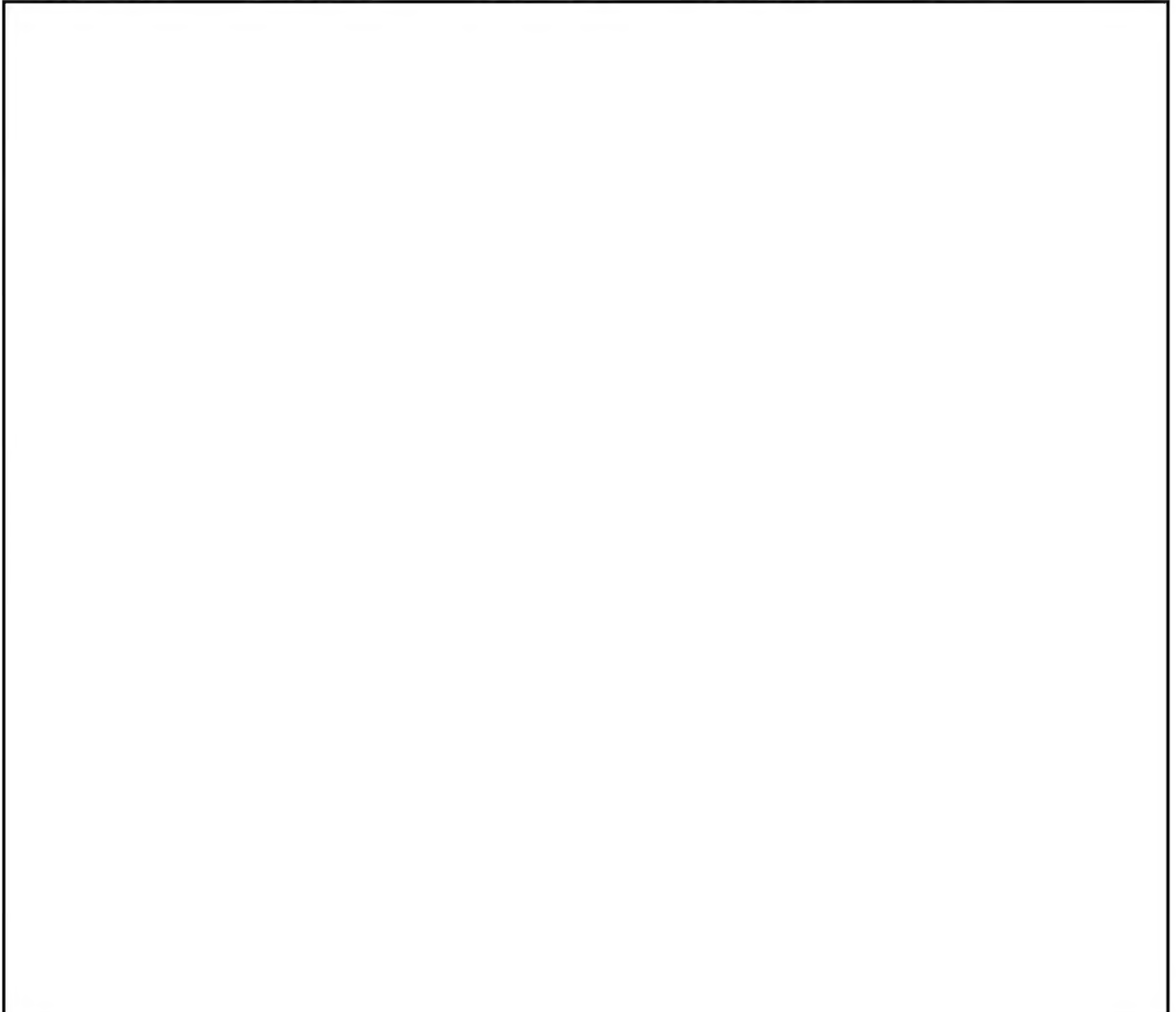
"The State of Illinois has saved \$48,278 by discontinuing unnecessary microfilm projects. These projects were eliminated by using low-cost storage in the State Records Center and by applying shorter and more realistic records retention periods."

2. Our Agency now uses microphotography principally for those vital materials where we possess only one copy, as well as, separately, to secure the easy,

selective maneuverability in reproduction of limited-copy intelligence materials held at Headquarters.

3. The Hoover Commission estimates that the cost of microfilming one four-drawer filing cabinet of records is \$240.00 as compared to \$36.00 to store the same amount of material for 10 years in an established records center - such as we have

4. Here is how one must look at the seeming desirability of microphotography in given situations. For this purpose, I take an example in ORR:





5. A new machine development produced by the Minnesota Mining and Manufacturing Company with assistance from our Management Staff, may modify the use factor to some degree and possibly enlarge the extent to which microphotography could be considered.
6. Here is the new machine called a Microfilm Reader-Printer (show it) which will allow you to look at any selected microfilm and produce a hard copy of your selection within 5 seconds. The Agency has just received twenty of these machines - (and it might be noted that because we helped the manufacturer, the price to us is less than to their <sup>other</sup> ~~own~~ customers!). However, the use of this machine must be assessed against a price of \$650.00 each.
7. In summary as to the use of microfilm,
  - a. Never microfilm a non-vital record if it can be stored in the Records Center.
  - b. Do consider (with the Management Staff) the microfilm process for those records which must be held at Headquarters and where we face a serious space problem and/or the purchase of new expensive filing equipment.

FINAL SUMMARY

1. In summary, you can - each of you, significantly affect this Agency's budget reduction within your own staffs by interesting yourself in this Government-wide and industry-wide program of better managing of records.
2. The Management Staff is rightly too limited in personnel to do what you can full-well do yourselves. We can always act as catalytic agents and in many instances provide substantive work-hours help.
3. I will start you off by distributing this week the Management Staff booklet of clues and tools, together with my 4 urgencies in your Records Disposition Program.

(Show booklet.)

4. If you please, the next move is yours, and we would be delighted to help.